

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC

(Investigation 332-440)
Probable Economic Effect of the Reduction or Elimination of U.S. Tariffs

AGENCY: United States International Trade Commission

ACTION: Institution of investigation and scheduling of public hearing.

EFFECTIVE DATE: February 28, 2002

SUMMARY: Following receipt of a request on February 11, 2002, from the United States Trade Representative (USTR), the Commission instituted investigation No. 332-440, *Probable Economic Effect of the Reduction or Elimination of U.S. Tariffs*, under section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)).

As requested by USTR, the Commission will provide advice as to the probable economic effect on U.S. industries producing like or directly competitive articles and on consumers of:

- eliminating U.S. tariffs of 5 percent *ad valorem* or below on dutiable imports from all U.S. trading partners and reducing all other U.S. tariffs by 50 percent;
- eliminating U.S. tariffs on all dutiable imports from all U.S. trading partners; and
- eliminating U.S. tariffs on all dutiable imports from FTAA countries.

The import analysis will consider each article in chapters 1 through 97 of the Harmonized Tariff Schedule of the United States for which tariffs will remain after the United States fully implements its Uruguay Round tariff commitments. The import advice will be based on the 2002 Harmonized Tariff System nomenclature and 2000 trade data. The report will identify the five largest sources of dutiable imports (including import values) for each article under the scenarios identified above. The Commission will provide its advice on the effect of reduction or elimination of U.S. tariffs no later than August 9, 2002.

FOR FURTHER INFORMATION CONTACT: Industry-specific information may be obtained from Robert Carr, Project Leader (202-205-3402), or George Serletis, Deputy Project Leader (202-205-3315), Office of Industries, U.S. International Trade Commission, Washington, DC, 20436. For information on the legal aspects of this investigation, contact William Gearhart of the Office of the General Counsel (202-205-3091). The media should contact Peg O'Laughlin of the Office of External Relations (202-205-1819). Hearing impaired individuals are advised that information on this matter can be obtained by contacting the TDD terminal on (202) 205-1810.

BACKGROUND: In his letter to the Commission, the USTR noted that at the November 14, 2001, WTO Ministerial Conference in Doha, Qatar, the United States and other WTO members agreed to launch new multilateral negotiations. The new WTO agenda will include negotiations on agriculture mandated under the Agreement Establishing the World Trade Organization. In addition, the letter noted that at the Quebec City Summit of the Americas last April, leaders of the Western Hemisphere democracies called for the conclusion of the Free Trade Area of the Americas (FTAA) by no later than January 1, 2005; and that

negotiations on agricultural and industrial tariffs in the FTAA will be initiated this year.

PUBLIC HEARING: A public hearing in connection with the investigation will be held at the U.S. International Trade Commission Building, 500 E Street SW, Washington, DC, beginning at 9:30 a.m. on May 1, 2002. All persons shall have the right to appear, by counsel or in person, to present information and to be heard. Requests to appear at the public hearing should be filed with the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436, no later than 5:15 p.m., April 17, 2002. Any prehearing briefs (original and 14 copies) should be filed not later than 5:15 p.m., April 19, 2002; the deadline for filing post-hearing briefs or statements is 5:15 p.m., May 10, 2002. In the event that, as of the close of business on April 17, 2002, no witnesses are scheduled to appear at the hearing, the hearing will be canceled. Any person interested in attending the hearing as an observer or non-participant may call the Secretary of the Commission (202-205-1806) after April 17, 2002, to determine whether the hearing will be held.

WRITTEN SUBMISSIONS: In lieu of or in addition to participating in the hearing, interested parties are invited to submit written statements (original and 14 copies) concerning the matters to be addressed by the Commission in its report on this investigation. Commercial or financial information that a submitter desires the Commission to treat as confidential must be submitted on separate sheets of paper, each clearly marked "Confidential Business Information" at the top. All submissions requesting confidential treatment must conform with the requirements of section § 201.6 of the Commission's Rules of Practice and Procedure (19 C.F.R. 201.6). All written submissions, except for confidential business information, will be made available in the Office of the Secretary of the Commission for inspection by interested parties. The Commission may include some or all of the confidential business information submitted by interested parties in its report to the USTR. To be assured of consideration by the Commission, written statements relating to the Commission's report should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on May 10, 2002. All submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means.

Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing its Internet server (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at <http://dockets.usitc.gov/eol/public>.

LIST OF SUBJECTS: WTO, FTAA, tariffs, and imports.

By order of the Commission.

Marilyn R. Abbott
Acting Secretary

Issued: March 1, 2002